

**LUCY R. COHEN**

**Manager  
Personnel and Payroll Services  
University of Michigan Library  
Ann Arbor, Michigan**

## **Conducting Performance Evaluations**

### **ABSTRACT**

In order for any performance evaluation system to be effective, it should provide believable information about a staff member's job performance. A performance evaluation system based on performance goals and measures is an effective system which satisfies those conditions. This article provides a summary of the discussions and materials covered during the performance evaluation workshop conducted at the 29th Allerton Institute. It reviews the reasons for conducting performance evaluations, the concerns and potential pitfalls to performance evaluations, and provides an in-depth description of a goals-based performance evaluation system.

### **INTRODUCTION**

Any effective performance evaluation system should provide believable information about a staff member's job performance. A staff member's performance evaluation should not be based on personal traits nor should it be subject to the rater's bias. It should be based on reliable, valid, and comparative data on job performance (Winstansley, 1980). A performance evaluation system based on performance goals and measures is an effective system which satisfies those conditions. In addition, this type of system also provides ample opportunities for developing staff members, communicating expectations, and coaching them in areas of performance deficiency.

The performance evaluation workshop this author conducted at this Allerton Institute on *Critical Issues in Library Personnel Management*, provided an opportunity to discuss reasons why supervisors and

managers should conduct performance evaluations as well as concerns or problems associated with performance evaluations. It also provided an opportunity to be introduced to the goals-based performance evaluation system and to practice writing performance goals. The following provides a summary of the discussions and the materials covered during the workshop.

### REASONS FOR CONDUCTING PERFORMANCE EVALUATIONS

Participants agreed that performance evaluations were necessary to provide documentation for personnel actions including merit increases, promotions, and disciplinary action. In addition, it was generally agreed that the evaluations afforded an opportunity for the supervisor to provide a written record of a staff member's overall job performance. The participants also agreed that performance evaluations were developmental in nature since they provided supervisors an opportunity to note performance deficiencies and other areas of concern. Participants noted that supervisors could use performance evaluation information as a planning tool for determining what additional staff training is needed.

An additional important aspect of performance evaluation identified was better communication between the supervisor and the staff member.

### CONCERNS ABOUT PERFORMANCE EVALUATIONS

Some participants stated that they wanted the performance evaluation to be a positive experience for both the supervisor and the staff member. Some were concerned about the time it takes to do performance evaluations, others about getting a commitment from supervisors not only to do them, but also to do them honestly and in a timely manner.

Merits of pay for performance were discussed by participants with some concerned that there was no monetary incentive for union employees, others were concerned about how to implement bonus plans linked to goals, yet others wanted to separate developmental performance evaluations from ones linked to pay increases. Participants agreed that an additional concern was obtaining objective data on which to base performance evaluations and to ensure consistency in rating staff members' performance.

### POTENTIAL PITFALLS TO PERFORMANCE EVALUATION

Before introducing the goals-based system, the following potential pitfalls to performance evaluation were reviewed and adapted from "8 Ways to Ruin Performance Review" (Lowe, 1986).

1. *Halo Effect*—the supervisor gives a favorable rating to all position responsibilities based on impressive performance in one job function.
2. *Pitchfork Effect*—the opposite of the "halo effect," the supervisor

gives a poor rating to all position responsibilities based on poor performance in one job function.

3. *Central Tendency*—the supervisor rates everyone as average, thereby avoiding making judgments.
4. *Loose Rater*—the supervisor rates everyone highly (this type of rater can also be called spineless or lenient). The supervisor thus avoids conflict by not pointing out weaknesses.
5. *Tight Rater*—the supervisor rates everyone poorly because he feels no one can live up to his standards.
6. *Recency Error*—the supervisor relies on recent events to determine a staff member's performance rating rather than the full period under review.
7. *Length of Service Bias*—the supervisor assumes that a tenured staff member is performing well because of his experience.
8. *Competitive Rater*—the supervisor determines a staff member's rating based on how he has been evaluated by his own supervisor.

## THE GOALS-BASED PERFORMANCE EVALUATION SYSTEM

Participants were introduced to the goals-based system (Creth, 1984) by reviewing the 10 step process. The flow chart (see Fig. 1) illustrates the goals-based performance evaluation process—i.e., performance planning, monitoring, and evaluation. The activities shown above the shaded areas are those designated for the supervisor; activities within the shaded area are for the employee. The activities in the center are shared jointly by the supervisor and the employee.

The main objective of this performance evaluation system is to establish communication between the supervisor and employee in areas of responsibility, desired results and outcomes, priorities, development, and evaluation of work performed.

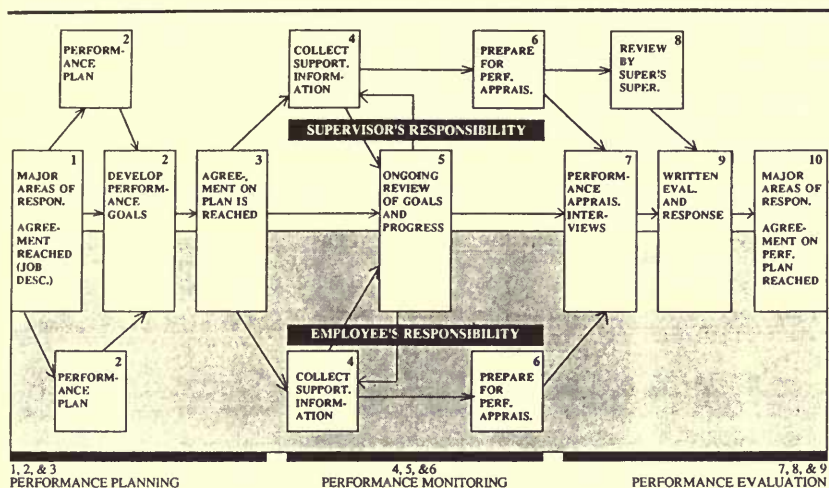
## PERFORMANCE PLANNING

### *Major Areas of Responsibilities Agreement*

The first step in the process of performance planning is to update the job description. This provides an opportunity to define the responsibilities of a staff member. The areas of responsibilities agreement should also include new directions and projects which are inherent in organizational change (i.e., how the unit and divisional goals and plans will affect the employee).

### *Performance Plan and Developing Performance Goals*

There are several methods to develop a performance plan. One way is to delegate the responsibility to the employee and then have the plan validated by the supervisor. Another way is to have the supervisor and employee work out a plan individually and then meet to review and jointly agree on the goals. The latter is suggested in order to allow the



\*Adapted from the University of Michigan Hospital Performance Evaluation Program Prepared by Lucy R. Cohen, University Library, University of Michigan, 1987

Figure 1. Flow chart of an evaluation system based on performance goals\*

supervisor an opportunity to participate fully and use this process as a tool for planning unit work and priorities. In addition, this process provides the supervisor the opportunity to assist in developing action plans for areas of problem performance. Supervisors should:

- review broader unit/divisional goals and how the employee can contribute;
- review the past performance of an employee in order to identify and consider areas of strength and weakness;
- provide assistance in articulating goals for improving areas of weakness.

Employees should:

- outline major continuing responsibilities and desired results;
- write goals for projects, new programs, improvements, and professional development;
- review goals to ensure that they are: measurable; support unit/divisional goals and activities, realistic, and under the employee's control and within the employee's own areas of responsibility.

### *Agreement on a Plan is Reached*

It is important to arrive at a mutual understanding on all areas of responsibility, performance goals, and methods for measuring results. If differences in opinions, priorities, or perspectives exist, these must be resolved prior to agreement on the goals.

## PERFORMANCE MONITORING

### *Collect Supportive Information*

Data collection should occur throughout the period under review.

Supportive information which directly relates to the performance objectives and the measurement criteria (indicators and standards) for each performance goal should be collected by both the supervisor and the employee. Supervisors and employees should:

- review personal notes and observations and feedback received from others;
- review external factors or obstacles which prohibit achievement of desired outcomes; and
- review any alterations in unit/divisional priorities and any other changes that have occurred over the period under review.

### *Ongoing Review of Goals and Progress*

Another major objective of a goals-based performance evaluation system is to provide timely feedback to the employee. To make this system work, it is imperative that these opportunities occur frequently, no fewer than quarterly for an annual goals-setting cycle. Supervisors and employees should:

- review progress on goals;
- adjust, modify, add, or drop goals;
- adjust priorities due to changes in organizational directions; and
- review expectations and responsibilities.

Supervisors should:

- provide assistance in identifying areas that need improvement;
- provide recognition of accomplishments and contributions;
- focus on job performance;
- assist in articulating action plans for problem areas of performance;
- provide a coaching framework.

Note that the previous steps regarding the collection of supportive information and the ongoing review of goals and progress should be repeated regularly throughout the performance evaluation cycle.

### *Prepare for Performance Appraisal*

Prior to the formal performance appraisal interview and the written evaluation which occurs at the end of an agreed upon time period (usually on an annual basis), the supervisor and employee need to prepare by reviewing the collective supportive information and the employee's performance in relation to agreed upon goals and stands.

## **PERFORMANCE EVALUATION**

### *Performance Appraisal Interview*

This interview is mutual working session. A date and time for the interview should be set in advance and held in a private location. Sufficient time should be allocated to conduct the interview without interruption or rushing. Supervisors and employees should:

- discuss employee's activities in order to arrive at an understanding of achievements and problems;



- review each performance goal, the desired outcome of the goal (results), and assess what did or did not occur;
- discuss accomplishments on specific goals;
- discuss problems and what prevented the employee from producing the required results; what obstacles were impeding progress and job satisfaction;
- discuss ways the supervisor can be more helpful in the coming year; and
- discuss performance goals for the next year and a time frame for preparing the performance plan.

### *Review by Supervisor's Superior*

An opportunity to discuss the appraisal with the supervisor's superior (manager) is important for several reasons: the manager can often provide additional information on the employee's performance as well as provide the broader view of the organization for future planning; the manager can provide additional information on the possibilities for training and advancement for the employee; and the supervisor's work with the employee is reviewed as part of his own performance plan with the manager.

### *Written Evaluation and Response*

The written evaluation provides the opportunity to document the employee's performance during the past year. This evaluation becomes a part of the employee's permanent file. Supervisors should:

- provide a balanced and clear statement that reflects accurately the performance appraisal interview;
- provide data and cite specific results achieved in addressing performance goals;
- summarize strengths and performance areas which need improvement or development, and provide examples to support appraisal;
- describe areas for which new goals need to be written or previous goals revised.

Employees should:

- respond formally to the evaluation, commenting on their own perceptions. Sign the evaluation, thereby validating they have read the review.

### *Areas of Responsibilities/Performance Plan Agreement*

The cycle begins again with an agreement on areas of responsibility and a new performance plan. Performance goals and criteria for measuring these goals are agreed upon once more.

After discussing the process of formulating performance goals, the rest of the workshop consisted of defining the four types of performance goals (see Appendix A), reviewing sample goals (see Appendix B), and practicing the writing of performance goals.

Before participants had an opportunity to practice writing performance goals, it was important to review that it is the *process* of writing goals that is more important than the goal itself. The process of writing goals forces the staff member or the supervisor to identify the expected outcome and the desired results. It allows for a staff member or supervisor to begin formulating performance standards, performance measures, and action plans. When attempting to formulate performance goals, the staff member or supervisor should try to answer the following questions: What needs to get done? (What are the expected outcomes and the anticipated results?) What is good enough? (What is the standard?) How will we know? (What are the performance indicators and what is going to be measured?)

At the end of the workshop the participants attempted to formulate personal performance goals or performance goals for their staff. These first attempts were shared in small and large groups. The additional references to the article provide an opportunity to further investigate this topic.

## APPENDIX A

### Definitions

#### PERFORMANCE GOALS

Performance goals are written definitions of what you expect to accomplish within a given time period. Goals may relate to continuous job responsibilities, to specific one-time projects, to implementation of new services or operations, to plans for improvement of service or production, to learning a new job or developing a new skill. Some types of goals will be applicable every year; some will not. For each planning year, however, goals should encompass all major job responsibilities, all significant investments of time and energy, and all plans that require special allocation of time, funds, or personnel. Most goal statements will include desired result, performance indicators, and standards. Some goal statements will be accompanied by an action plan.

#### PERFORMANCE INDICATORS AND STANDARDS

Indicators describe *what* is to be used as a measure of performance. Standards define the expected *level* of achievement. Measures of performance may be difficult to establish. They are often easier to define for jobs that are production oriented and for tasks where results can be described in terms of quantity, elapsed time, or accuracy. It is more difficult to set standards for providing services when the product is information or advice, the value of which varies according to the recipient—such as reference service, staff counseling, or consulting. You may not be satisfied with your first attempt at identifying indicators and standards, but you should describe as well as you can how the accomplishment of each goal can be measured or evaluated.

#### ACTION PLAN

An action plan outlines the steps to be taken to accomplish a goal, sets time limits for accomplishing each step, and establishes an expected completion date. It describes a series of activities that will result in the achievement of a performance goal. Action plans should accompany all problem-solving goals, innovative goals, and development goals—any goal that involves a limited time frame and a final result. Goals relating to routine ongoing job responsibilities will not necessarily be accompanied by an action plan. At the time you are preparing your annual performance goals, you may know that you intend to carry out a particular project, but at that point may have only an indefinite idea of the steps required to accomplish it. In this case, you can simply indicate that a more complete action plan will be prepared by a certain date. The details can be written later.

#### TYPES OF GOALS

Although not all goals will fall neatly into a category, most can be identified as belonging to one of the following general types: maintenance, problem-solving, innovative, or developmental.

##### *Maintenance Goals*

Maintenance goals are the major substance of your work and are the goals by which performance is most heavily judged. They should cover all primary ongoing job responsibilities and should, therefore, be related to your job description. These goals are likely to remain stable every year. The level of detail



## APPENDIX A (*Cont.*)

### Definitions

described by goal statements may differ according to job complexity and personal preference in stating them, but each primary responsibility should stand as a separate goal. Whenever possible, goals should be stated in terms of the desired result, not as an activity.

#### *Problem-Solving Goals*

Problem-solving goals often relate to continuing responsibilities. They may solve a specific problem or address a need to bring productivity or quality of service up to an established standard. You may have a goal to raise previously set standards or even to establish a standard for the first time. What was a maintenance goal last year may this year become a problem-solving goal. If the desired result is achieved, this same goal will revert to a maintenance goal again next year. Problem-solving goals should be accompanied by an action plan.

#### *Innovative Goals*

Innovative goals are new plans, innovations, onetime efforts that require special planning. They may be undertaken for various reasons—to respond to changed users' needs, to take advantage of new technology, or to expand services. They often provide opportunities to be creative. Innovative goals should be challenging, should stretch the individual, and should produce a significant result for the library. They should have a purpose, which should be included in the goal statement. Innovative goals especially need careful planning. Attention must be given to what resources will be required, what the costs will be, how long it will take, who will be involved, and what checkpoints along the way will be used to measure progress.

Performance on innovative goals is measured by the degree of success in completing on schedule the steps of an organized action plan and in achieving the desired result. However, the nature of the goals you set for yourself may be as important in the evaluation of performance as whether or not an individual goal is achieved. For example, the accomplishment of a plan to make a minor procedural change in unit operations may not be viewed as being of equal importance as a major innovation in the organization of the unit, even if unavoidable circumstances prevented completion of the latter by the projected date.

#### *Developmental Goals*

Developmental goals apply to an individual learning a new job or developing a new skill that will improve job performance. These goals, like problem-solving and innovative goals, should include action plans describing the steps to be taken, target dates, and levels of performance to be achieved.

#### *Professional Contributions*

You should also include goal statements covering major committee or other university library assignments that require a significant commitment of time. Appointments to university committees, task forces, or other bodies that make demands on time or resources should be included as well. A brief descriptive statement should be adequate. Unless you are the chairperson, you will rarely have sufficient information to include an action plan. Professional com-

mitments outside the university should, with rare exception, only be reported at the end of the year as documentation in support of promotion.

By permission, condensed from: Creth, S. (1984). *Performance evaluation: A goals-based approach*. Association of College and Research Libraries. Continuing Education Program #106.

## APPENDIX B

### Sample Performance Goals

#### *Maintenance Goals*

*Goal:* Smooth workflow in section resulting in no backlog of work in one area causing insufficient or uneven workload in another area and maintenance of an average processing time of one week for all rush materials.

*Goal:* Trash is removed daily, and furniture is damp wiped. Carpeted floor vacuumed weekly, other areas wet mopped. Bathrooms are cleaned and materials are replaced daily. Unusual cleaning needs are noted and completed.

*Performance Indicators:* 10 percent error rate for routine duties (trash removal, vacuuming and dusting and 0 error rate in priority areas such as bathrooms). (Job description: clean designated areas of 6 west)

#### *Problem-Solving Goals*

*Goal:* Achieve an approval plan profile that results in a return of 10 percent or less materials received and acquisition of 90 percent or more of appropriate titles in order to increase the efficiency of the approval program.

#### *Action Plan:*

1. Meet with vendor representative to discuss current profile—December 1985.
2. Review books received for the following four months for relevance.
3. Revise profile as needed—April 1986.
4. Review receipts against comprehensive checklists for coverage by approval plan.
5. Modify profile as needed to achieve maximum return rate of 10 percent and minimum acquisition rate of 90 percent—July 1986.

*Goal:* New staff are able to work independently at established performance levels within six weeks of hire.

#### *Action Plan:*

1. Review job requirements and determine areas for which training must be provided on the job.
2. Identify objectives for training for specific tasks for a specific estimated time.
3. Identify staff with whom new employees must meet to review department activities or to receive specific instruction.
4. Identify materials and resources needed for the training process.
5. Review basic training plan in relation to new employee's skills and experience.
6. Develop written training plan and schedule before a person's first day of work.

#### *Innovative Goal*

*Goal:* Have an online acquisition system with fund account capability in place by May 1986 in order to consolidate the ordering and payment processes for monographs and serials and to provide adequate audit trails for university auditors and fund management reports for selectors and library administrators.

#### *Action Plan:*

1. Establish objectives—September 1985
2. Review needs of selectors, administrators, auditor and acquisitions staff—September 1985
3. Identify viable systems and schedule site visits or vendor visits working with AD for Technical Services and Head, Serials Division—October 1985

4. Review the systems' capabilities and gather any further information necessary from vendors—November 1985
5. Present a report to library administration identifying preferred system and justifying its selection over other systems—December 1985
6. Assist administration in preparing contracts and other documents necessary for purchase—December '85/January '86
7. Begin to plan implementation—March 1986, etc....

## REFERENCES

- Creth, S. D. (1984). *Performance evaluation: A goals-based approach*. Chicago, IL: The Association for College & Research Libraries (Continuing Education Program #106).
- Lowe, T. R. (1986). Eight ways to ruin performance review. *Personnel Journal*, 65(1986), 60-62.
- Winstansley, N. B. (1980). Legal and ethical issues in performance appraisals. *Harvard Business Review*, 58(6), 186-188, 192.

## ADDITIONAL REFERENCES

- Allan, A., & Reynolds, K. J. (1983). Performance problems: A model for analysis and resolution. *The Journal of Academic Librarianship*, 9(May), 83-88.
- Diffie-Couch, P. (1983). How to give feedback. *Supervisory Management*, 28(August), 27-31.
- Evans, E. G., & Rugass, B. (1983). Another look at performance appraisal in libraries. *Journal of Library Administration*, 3(Summer), 61-69.
- Graves, P. J. (1982). Let's Put Appraisal Back in Performance Appraisal: Part I. *Personnel Journal*, 61(11), 844-849.
- Graves, P. J. (1982). Let's Put Appraisal Back in Performance Appraisal: Part II. *Personnel Journal*, 61(12), 918-923.
- Hodge, S. P. (1983). Performance appraisals: Developing a sound legal and managerial system. *College and Research Libraries*, 44(July), 235-244.
- Kroll, H. R. (1983). Beyond evaluation: Performance appraisal as a planning and motivational tool in libraries. *Journal of Academic Librarianship*, 9(March), 27-32.